



# PUBLIC NOTICE

**Federal Communications Commission**  
**445 12<sup>th</sup> St., S.W.**  
**Washington, D.C. 20554**

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**DA 09-2253**  
**Released: October 19, 2009**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF  
LOWRY TELEPHONE COMPANY, LLC FROM NORTH HOLDINGS, INC.  
TO RUNESTONE TELEPHONE ASSOCIATION**

**NON-STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 09-188**

**Comments Due: November 2, 2009**  
**Reply Comments Due: November 9, 2009**

On October 9, 2009, North Holdings, Inc. (North Holdings) and Runestone Telephone Association (Runestone) (collectively, Applicants) filed an application pursuant to sections 63.03 and 63.04 of the Commission's rules<sup>1</sup> seeking consent for the transfer of control of Lowry Telephone Company, LLC (LTC) from North Holdings and Runestone to Runestone alone.

The Applicants do not seek streamlined treatment for this application under section 63.03(b) of the Commission's rules.<sup>2</sup> LTC, a Minnesota limited liability company, is a rural incumbent local exchange carrier (LEC) serving approximately 800 access lines in the Lowry exchange in Pope and Douglas Counties in west central Minnesota. Runestone, a Minnesota cooperative association, is a rural incumbent LEC serving approximately 3,750 access lines in nine exchanges (Barrett, Cyrus, Donnelly, Elbow Lake, Hoffman, Kensington, Norcross, Tintah, and Wendell) in Pope, Grant, Douglas, Stevens, and Traverse Counties in west central Minnesota. Applicants state that the Lowry exchange is adjacent to Runestone's Kensington and Cyrus exchanges. They further state that LTC and Runestone are incumbent LECs that have, in combination, far fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide. Because of the adjacent service areas Applicants have identified, this application is not entitled to presumptive streamlined treatment.<sup>3</sup>

LTC is currently owned by North Holdings (50 percent) and Runestone (50 percent). Applicants state that Richard and Tamara Ekstrand, both U.S. citizens, own 100 percent of North Holdings.

Runestone is a cooperative comprised of approximately 3,500 member-owners. Applicants state that, after the proposed transaction, the number of Runestone's member-owners is likely to exceed 4,000 because the customers of LTC's Lowry exchange will be invited to join the cooperative. Applicants

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<sup>1</sup> 47 C.F.R §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

<sup>2</sup> 47 C.F.R. § 63.03(b).

<sup>3</sup> 47 C.F.R. § 63.03(b)(2)(iii).

further state that none of the member-owners will own or control one percent or more of Runestone's voting or equity interests.

Pursuant to the terms of the proposed transaction, Runestone will purchase the entire (50 percent) member interest of North Holdings in LTC, dissolve LTC shortly thereafter, and distribute its Lowry exchange and customer base to Runestone. At the completion of the transaction, Runestone will wholly own the Lowry exchange and LTC's existing Minnesota study area as well as its existing nine exchanges and existing Minnesota study area.

Applicants assert that the proposed transaction will serve the public interest, convenience, and necessity by ensuring the continued operation of LTC by an established rural provider. They further state that LTC's customers will have an opportunity to become members of the Runestone cooperative and will continue to receive quality services at affordable rates.

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before November 2, 2009** and reply comments **on or before November 9, 2009**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's e-Rulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal e-Rulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- **For ECFS filers,** if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

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**In addition, one copy of each pleading must be sent to each of the following:**

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, [www.bcpiweb.com](http://www.bcpiweb.com); phone: (202) 488-5300 fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, [tracey.wilson-parker@fcc.gov](mailto:tracey.wilson-parker@fcc.gov);
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, [jodie.may@fcc.gov](mailto:jodie.may@fcc.gov);
- 4) Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov).

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com); url: [www.bcpiweb.com](http://www.bcpiweb.com).

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For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.

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